

CHAPTER 2. AGENCY PAYMENT OF ADVANCES TO RECIPIENTS

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CHAPTER 2. AGENCY PAYMENT OF ADVANCES TO RECIPIENTS

2.1 OVERVIEW.

- 2.1.1 The purpose of this chapter is to set forth policies for National Aeronautics and Space Administration's (NASA) use of the Department of Health and Human Services' Payment Management System (DHHS/PMS); a letter of credit system of providing advance payments of Federal funds to educational institutions; other public or private organizations, referred to as "recipient organizations;" and state and local governments.

2.2 POLICY.

- 2.2.1 NASA uses the Department of Health and Human Services' Payment Management System (DHHS/PMS) to handle advance payments to recipient organizations.

2.3 AUTHORITIES AND REFERENCES.

- 2.3.1 Department of the Treasury Circular No. 1075, (Fourth Revision, Appendix 1). This Circular is designed to improve the timing of cash advances.
- 2.3.2 Treasury Financial Manual, Volume I, Part 6, Chapter 2000, as revised. This circular requires that cash withdrawals occur only when essential to meet the actual disbursement needs of recipient organizations.
- 2.3.3 Office of Budget and Management (OMB) Circular No. A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations. The purpose of the OMB circular is to achieve uniformity in recipients' financial reporting to Federal agencies.
- 2.3.4 DHHS/PMS, whose mission is to provide grant-type payments, cash management, and grant accounting support services to HHS and other Federal agencies.
- 2.3.5 NASA Financial Management Requirements, Volume 6, "Appendix A - Advance Payment Requirement for Recipients," which addresses advance payment authorities for recipient organizations and how recipients qualify for advance payments.

2.4 ROLES AND RESPONSIBILITIES.

- 2.4.1 Agency Chief Financial Officer (CFO)/ Deputy CFO. Shall ensure that NASA and recipients meet NASA/DHHS/PMC advance payments requirements.
- 2.4.2 Recipient Organizations. Shall comply with NASA/DHHS/PMS requirements when submitting requests for advances for grants and agreements with NASA.

- 2.4.3 Center CFOs and the NASA Shared Services Center (NSSC) shall:
- A. Ensure that each Center is properly charged for its recipients' draw downs.
 - B. Reconcile Centers' and Department of Health and Human Services' data.
 - C. Distribute PMS reports.
 - D. Assist Centers with recipient registration.
 - E. Acquire and maintain registration listings.
 - F. Coordinate activity between Centers and DHHS/PMS.